

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2587 - SB 2645

February 10, 2022

SUMMARY OF BILL: Effective October 6, 2022, exempts the sale or purchase of previously-titled antique or unique motor vehicles at an automobile auction held in conjunction with a motor vehicle festival in Hamilton County for which a portion of the proceeds are donated to a hospital neurological institute in Hamilton County from the requirement for a motor vehicle dealer license. Repeals the exemption on October 17, 2022.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The Chattanooga Motorcar Festival will be held in Chattanooga, TN on October 14-16, 2022.
- Anyone who sells more than five motor vehicles in one year is required to be licensed as a motor vehicle dealer through the Motor Vehicle Commission (MVC).
- According to the MVC, during prior instances of the festival auction, sellers were not required to obtain licensure as a motor vehicle dealer.
- It is assumed that participants in the festival auction would not be required to obtain licensure in the absence of the bill. Therefore, any fiscal impact to the MVC will be not significant.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-sufficient over any two-year period. The MVC experienced a deficit of \$204,605 in FY19-20, a surplus of \$63,997 in FY20-21, and had a cumulative reserve balance of \$2,234,169 on June 30, 2020.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumption:

- The proposed legislation will not result in any significant impact to commerce or jobs in Tennessee

HB 2587 - SB 2645

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm